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Thailand

Grain and Feed

Weekly Rice Price Update

2004

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Report Highlights:

Export prices for non-fragrant rice continued to surge considerably due to the pending shipment demand for white rice and strong demand for parboiled rice.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending Jul 19):

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	405	390	535	430	415	390	390	429	433
WR 100 B	240	238	232	246	242	244	235	240	232
PB 5%	245	238	233	252	248	257	240	245	235
WR 5%	235	232	227	241	237	239	230	234	227
WR 10%	233	228	222	238	235	237	225	231	224
WR 15%	232	226	217	236	234	235	220	229	221
WR 25%	227	223	216	233	230	229	215	225	217
WR 35%	224	221	214	231	226	226	210	222	215
A 1 SUP	211	214	210	214	213	214	210	212	209
A 1 SPEC	209	213	209	211	211	-	208	210	208
Source: Average actual prices received from exporters									

Market Tone

Export prices of non-fragrant rice continued to increase considerably, following the ongoing shipment of white rice to fulfill the outstanding contracts for Iran and Iraq. Also, demand for Thai parboiled rice from African countries was reportedly strong due to limited exportable supplies of the major competitors, particularly India. Trade sources reported that domestic prices of parboiled rice also increased significantly in response to the tight supply situation of local paddy. Moreover, the Thai commerce ministry has recently extended the government intervention program for second crop from ending on July 31, 2004 to September 30, 2004. Also, the intervention price for 100% grade white rice paddy was announced to increase from 5,250 Baht/ton (roughly US\$ 131/ton) to 5,900 Baht/ton (roughly US\$ 148/ton). In addition, the authority has proposed to raise the intervention prices for MY 2004/05 major crop's intervention program (Nov. 1, 2004 – Feb. 28, 2005) by about 1,000 baht/ton (roughly US\$ 25/ton) from the previous year.

As for fragrant rice, export prices continued to decline due to the increasing supply of the relatively cheaper "Pathumthani 1" fragrant rice, for which the government policy remains uncertain in its classification. At present, it is not classified as Thai Homali rice or traditional fragrant rice. Moreover, regarding the government's recent intention to release the stock of old crop fragrant rice (MY 2001/02 – MY 2002/03), trade sources expected downward pressure on domestic prices of fragrant rice.

The following are reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO
	(MT)	(MT)	(TMT)	(TMT)
MAY 30	157,666	159,439	2,752	1,714
JUN 6	171,411	162,900	2,923	1,796
JUN 13	178,740	161,573	3,102	1,902
JUN 20	181,515	172,333	3,283	1,985
JUN 27	179,774	177,860	3,463	2,080
JUL 4	210,928	187,739	3,674	2,184
JUL 11	161,618	183,459	3,836	2,287
JUL 18	178,271	182,648	4,014	2,413

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Jul 12-18, 2004 totaled 178,271 tons, up 16,653 tons from the previous week's total and down 4,377 tons from the four-week moving average of 182,648 tons. Exports during Jan 1 – Jul 18, 2004 totaled 4,014,087 tons, compared with 2,413,398 tons during the same period in 2003.

According to the Department of Internal Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan 1- Jul 12, 2004, amounted to 4,962,107 tons, up 41 percent from 3,519,262 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Jun 28 – Jul 2, Jul 5-9, and Jul 12-16, 2004 are as follows:

Movement (MT)	Jun 28 – Jul 2	Jul 5-9	Jul 12-16
weekly sales	103,561	199,811	177,116
4 week sum	745,509	671,644	629,608
4 week mov. avg.	186,377	167,911	157,402
Total weekly sales	4,462,562	4,662,373	4,839,489

End of Report.